

## R E M A R K S

Claims 1 - 45 are pending.

Claims 1, 17, 25, 27-45 are independent.

**Section 102 and 103 Rejections**

Applicants traverse the rejection of claims based on the Tagawa and Day references. As explained below, the references do not teach or suggest all the limitations of any claim.

**Claim 1**

Limitations:

The Examiner has not shown that any of the prior art of record discloses the following claim limitation:

*wherein the sale price of the selected product is*

*a first price if the product description is a first product description and*  
*a second price if the product description is a second product description.*

Tagawa does not allow the same product to be priced differently based on the product description (e.g., entered by a prospective customer). In contrast, Tagawa sets different prices for different products, not for *the selected product*, as recited in claim 1.

Tagawa arguably teaches providing a first sales price for a product if a product description is a first description, and a second sales price for a different product if a product description is a second description. For example, “If car rental is not desired or after a car has been selected, the system will cause tour packages with different options and prices to be displayed (block 516).” (col. 17, lines 5 - 8). However, tour packages with different options are contemplated by Applicants’ disclosure to be different products.

Further, it would make no sense for a “list of available choices with related prices” to include several listings of the same product, but with different prices, as the Examiner alleges is taught

by Tagawa. If any customer were presented with such a list, the customer would **invariably** choose the lowest price for the product.

Claim 2

Claim 2 is a dependent of claim 1. Therefore, claim 2 is patentable at least for reasons given for claim 1.

Claim 3

Claim 3 is a dependent of claim 1. Therefore, claim 3 is patentable at least for reasons given for claim 1.

Claim 4

Claim 4 is a dependent of claim 1. Therefore, claim 4 is patentable at least for reasons given for claim 1.

In addition, claim 4 is patentable at least for the following reasons:

Limitation:

The Examiner has not shown that any of the prior art of record discloses the following claim limitation:

*determining a measure of flexibility based on the product description*

Tagawa arguably teaches providing the user with available choices (e.g., flights) based on data (e.g., return flight segment data) entered by the user. For example, “The method further comprises querying the user on return flight segment data when user indicates that a return flight is desired, displaying the flight schedule on available flights with price information...” (col. 5, lines 26 - 30). However, providing the user with available choices is not the same thing as “determining a measure of flexibility”.

Applicants’ specification describes the following example for determining a flexibility score:

As an example of steps 1402 and 1404, a case is considered in which a flexibility score is determined for the product description “Sony”, “Magnavox”, “Toshiba”, “V-chip”, “stereo sound”, and “Picture-in-Picture”. According to the database 600 as represented in FIG. 6A, the condition values “Sony”, “Magnavox” and “Toshiba” are determined to correspond to +10 flexibility points each, and the remaining feature values are determined to correspond to -5 flexibility points each. Accordingly, the flexibility score corresponding to the product description is fifteen ( $10+10+10-5-5-5 = 15$ ).

Nowhere does Tagawa suggest any numerical score describing flexibility, nor any other measure of flexibility. It may be true that Tagawa may have the ability to provide a user with more or fewer available choices based on products that “match the user’s needs”. For example, Tagawa states:

During the qualifying step, the user may also be asked concerning any particular preference they have in terms of lodging, car rental companies, airline companies or other preferences. The data input by the user in response to such queries would then be used to narrow down the search process of the choices that match the user's needs. (col. 2, lines 62-68)

However, the ability to “narrow down the search process of the choices that match the user’s needs” is not a measure of flexibility.

The Examiner has not shown that any of the prior art of record discloses the following claim limitation:

*determining the sale price based on the measure of flexibility*

Since Tagawa does not teach “determining a measure of flexibility”, it follows that Tagawa does not teach determining anything “based on the measure of flexibility”, let alone a “sale price based on the measure of flexibility”.

Claim 5

In view of arguments provided for claim 4, Applicants believe that claim 5 is now in condition for allowance.

Claim 6

In view of arguments provided for claim 5, Applicants believe that claim 6 is now in condition for allowance.

Claim 7

Claim 7 is a dependent of claim 1. Therefore, claim 7 is patentable at least for reasons given for claim 1.

Additionally, claim 7 is patentable for at least the following reasons:

Motivation to combine:

The Examiner has alleged that the “motivation [to combine Day and Tagawa] would have been to maintain customer loyalty and at the same time encouraging [sic] customers to purchase more goods/services.”

Day does state:

“Similarly, a manufacturer may wish of [sic] offer discounts of varying degrees to loyal customers who mostly purchase the manufacturer's products, to reward loyal customers. Or a manufacturer trying to gain market share may only wish to provide discounts to loyal customers of a competitor,...” (col. 4, lines 2 - 7)

However, nowhere does Day suggest any desire to “maintain customer loyalty” or to “encourage customers to purchase more goods/services” which could point one to Tagawa or any aspect of Tagawa's disclosure.

In fact, Tagawa teaches away from customer loyalty by prompting customers to switch carriers. For example, Tagawa states, “initiating two-way communication between the user and the system, querying the user as to whether user has preference for an airline, displaying on the display screen all available airline carriers for selection by the user when the user indicates a preference and querying the user on flight segment data and whether a return flight is desired.” (5, 22). By displaying “all available airline carriers for selection by the user,” the system of Tagawa is not encouraging customer loyalty to an airline, but is instead giving a customer the opportunity to choose among any “available airline carrier”.

Since Tagawa teaches away from customer loyalty, one of ordinary skill in the art would not be motivated to combine Tagawa with a system that prompts customer loyalty.

#### Claim 8

Claim 8 is a dependent of claim 7. Therefore, claim 8 is patentable at least for reasons given for claim 7.

In addition claim 8 is patentable at least for the following reasons:

The Examiner has not addressed the limitations of this claim. For at least this reason no *prima facie* showing of unpatentability has been made.

#### Claim 9

Claim 9 is a dependent of claim 8. Therefore, claim 9 is patentable at least for reasons given for claim 8.

In addition claim 9 is patentable at least for the following reasons:

The Examiner has not addressed the limitations of this claim. For at least this reason no *prima facie* showing of unpatentability has been made.

Claim 10

Claim 10 is a dependent of claim 7. Therefore, claim 10 is patentable at least for reasons given for claim 7.

Claim 11

Claim 11 is a dependent of claim 7. Therefore, claim 11 is patentable at least for reasons given for claim 7.

Claim 12

Claim 12 is a dependent of claim 7. Therefore, claim 12 is patentable at least for reasons given for claim 7.

Claim 13

Claim 13 is a dependent of claim 1. Therefore, claim 13 is patentable at least for reasons given for claim 1.

In addition claim 13 is patentable at least for the following reasons:

The Examiner has not addressed the limitations of this claim. For at least this reason no *prima facie* showing of unpatentability has been made.

Claim 14

Claim 14 is a dependent of claim 1. Therefore, claim 14 is patentable at least for reasons given for claim 1.

Claim 15

Claim 15 is a dependent of claim 1. Therefore, claim 15 is patentable at least for reasons given for claim 1.

Claim 16

Claim 16 is a dependent of claim 1. Therefore, claim 16 is patentable at least for reasons given for claim 1.

In addition claim 16 is patentable at least for the following reasons:

The Examiner has not addressed the limitations of this claim. For at least this reason no *prima facie* showing of unpatentability has been made.

Claim 17

Limitations:

The Examiner has not shown that any of the prior art of record discloses the following claim limitation:

*wherein the customer is not guaranteed what specific product will be purchased before an agreement to purchase a product for the sale price is received from the customer.*

The Examiner has alleged that in Tagawa “the user or customer is not guaranteed what specific product will be purchased before an agreement to purchase a product for the sale price is received from the customer.” However, Tagawa does not teach this limitation. Tagawa teaches that the customer first selects what product he would like to purchase.

For example, Tagawa states, “The method comprises the steps of initiating two-way communication between a user and the system, querying the user for input data indicating desired origin and destination of trip and air transportation date(s), searching a database for available flight or flights that suit said input, and displaying information concerning said flight or flights. The method further comprises closing a sale, accepting payment for the flight or flights selected by the user...” (col. 4, lines 22 - 29). Apparently, although the system may present multiple “flights that suit [user] input”, the user makes payment for “flight or flights selected by the user.”

Thus, the user is informed of and is guaranteed which specific product he will purchase, because he has in fact selected the product.

Claim 18

Claim 18 is a dependent of claim 17. Therefore, claim 18 is patentable at least for reasons given for claim 17.

Claim 19

Claim 19 is a dependent of claim 17. Therefore, claim 19 is patentable at least for reasons given for claim 17.

Claim 20

Claim 20 is a dependent of claim 19. Therefore, claim 20 is patentable at least for reasons given for claim 19.

Claim 21

Claim 21 is a dependent of claim 20. Therefore, claim 21 is patentable at least for reasons given for claim 20.

Claim 22

Claim 22 is a dependent of claim 17. Therefore, claim 22 is patentable at least for reasons given for claim 17.

Claim 23

Claim 23 is a dependent of claim 17. Therefore, claim 23 is patentable at least for reasons given for claim 17.

Claim 24

Claim 24 is a dependent of claim 23. Therefore, claim 24 is patentable at least for reasons given for claim 23.

Claim 25

## Limitations:

The Examiner has not shown that any of the prior art of record discloses the following claim limitation:

*after the receiving step, selecting a particular product to be sold to the customer from among a plurality of different products conforming to the product description.*

Tagawa does not teach this limitation. Tagawa does not even teach “selecting a particular product to be sold to the customer from among a plurality of different products.” Tagawa in fact teaches the opposite - that the customer selects the product he would like to purchase.

For example, Tagawa states, “One more aspect of the invention is directed towards a self-service method of selling lodging bookings for a destination area by means of an interactive electronic travel service system functioning like a travel agent. The method comprises initiating two-way communication between the user and the system, displaying a calendar on a display screen for the user to input dates for said bookings, supplying choices of different lodgings for selection to the user and closing a sale and confirming a reservation for the selected lodgings made by the user.” (col. 4, lines 47 - 56) Thus, Tagawa teaches that the *user* “inputs dates” and selects from “choices of different lodgings”. This is the opposite of, e.g., the self-service system selecting a particular product for the customer.

Consequently, Tagawa also does not teach the narrower limitation of, “*after the receiving step, selecting a particular product to be sold to the customer from among a plurality of different products.*” In the quote above, Tagawa describes “closing a sale and confirming a reservation for the selected lodgings...,” implying that the selecting of the lodging occurs before the sale is closed, not after.

Claim 26

Claim 26 is a dependent of claim 25. Therefore, claim 26 is patentable at least for reasons given for claim 25.

Claim 27

## Limitations:

The Examiner has not shown that any of the prior art of record discloses the following claim limitation:

*wherein the customer is not guaranteed what specific product will be purchased before the agreement is received.*

Claim 17 includes a similar limitation. As discussed above with respect to claim 17, Tagawa does not teach this limitation. Tagawa teaches that the customer first selects what product he would like to purchase.

Claim 28

## Limitations:

The Examiner has not shown that any of the prior art of record discloses the following claim limitation:

*after receiving the agreement, selecting a flight on which the airline ticket will allow the customer to travel.*

Tagawa does not teach this limitation. In Tagawa the customer selects the flight, not any entity that could perform the other steps of claim 28.

For example, Tagawa states, “The method further comprises closing a sale, accepting payment for the flight or flights selected by the user and delivering a non-Airline-Reporting Corporation value voucher for the paid flight or flights to the user.” (Col. 4, lines 28- 31) Thus, Tagawa describes “flight or flights selected by the user,” not by the self service system or any other entity that could perform the method of claim 28.

Also, Tagawa describes “accepting payment for flight or flights selected by the user,” implying that a flight is selected before receiving payment, not afterwards.

Claim 29

Computer-readable medium claim 29 corresponds to method claim 1, and is patentable at least for the reasons discussed above with respect to claim 1.

Claim 30

Computer-readable medium claim 30 corresponds to method claim 17, and is patentable at least for the reasons discussed above with respect to claim 17.

Claim 31

Computer-readable medium claim 31 corresponds to method claim 25, and is patentable at least for the reasons discussed above with respect to claim 25.

Claim 32

Computer-readable medium claim 32 corresponds to method claim 27, and is patentable at least for the reasons discussed above with respect to claim 27.

Claim 33

Computer-readable medium claim 33 corresponds to method claim 28, and is patentable at least for the reasons discussed above with respect to claim 28.

Claim 34

Computer-readable signal claim 34 corresponds to method claim 1, and is patentable at least for the reasons discussed above with respect to claim 1.

Claim 35

Computer-readable signal claim 35 corresponds to method claim 17, and is patentable at least for the reasons discussed above with respect to claim 17.

Claim 36

Computer-readable signal claim 36 corresponds to method claim 25, and is patentable at least for the reasons discussed above with respect to claim 25.

Claim 37

Computer-readable signal claim 37 corresponds to method claim 27, and is patentable at least for the reasons discussed above with respect to claim 27.

Claim 38

Computer-readable signal claim 38 corresponds to method claim 28, and is patentable at least for the reasons discussed above with respect to claim 28.

Claim 39

Apparatus claim 39 corresponds to method claim 27, and is patentable at least for the reasons discussed above with respect to claim 27.

Claim 40

Apparatus claim 40 corresponds to method claim 28, and is patentable at least for the reasons discussed above with respect to claim 28.

Claim 41

Apparatus claim 41 corresponds to method claim 1, and is patentable at least for the reasons discussed above with respect to claim 1.

Claim 42

Apparatus claim 42 corresponds to method claim 17, and is patentable at least for the reasons discussed above with respect to claim 17.

Claim 43

Apparatus claim 43 corresponds to method claim 26, and is patentable at least for the reasons discussed above with respect to claim 25.

Claim 44

Apparatus claim 44 corresponds to method claim 27, and is patentable at least for the reasons discussed above with respect to claim 27.

Claim 45

Apparatus claim 45 corresponds to method claim 28, and is patentable at least for the reasons discussed above with respect to claim 28.

**Section 101 Rejections**

Applicants traverse the rejection of claims based on 35 U.S.C. § 101. As explained below, the required standard under 35 U.S.C. § 101 was not applied to the claims.

Applicants Understanding of the Standard Used

The Office Action on page 4 sets forth the two-part test that was applied to the rejected claims. The second prong of this test is "whether the invention produces a useful, concrete, and tangible result".

There is a statement on page 4 that "claims 1 - 28 do not recite any structure or functionality to suggest that a computer performs the recited claims. Thus, claims 1 - 28 are rejected as being directed to non-statutory subject matter." Applicants interpret this statement and the remainder of the rejection as an assertion that the rejected claims fail the first prong of the two-prong test. No analysis of the second prong seems to be have been performed. If Applicants are incorrect, clarification is respectfully requested.

Applicants understanding according to page 4 is that, in order to be considered statutory, a method claim recite or include a computer or some component thereof.

Request

If this rejection is maintained, Applicants respectfully request an appropriate and explicit basis for this test. Specifically, Applicants respectfully request clarification as to which of the following is the basis for the Examiner's two-prong test:

- (a) this test is believed to be in accordance with some section of the MPEP, or instead
- (b) this test is a policy of the U.S. Patent and Trademark Office.

If the basis is (a), the rejection should be withdrawn because no section of the MPEP sets forth such a test for statutory subject matter. Further, Applicants are unaware of any statute or court decision supporting this test.

If the basis is (b), please clarify whether this two-prong test relies on a new statutory interpretation of 35 U.S.C. § 101 that has been adopted by the U.S. Patent and Trademark Office.

#### Proper Standard

The Federal Circuit has made it clear that the only issue in determining the presence of statutory subject matter is whether the claimed invention produces a useful, concrete, tangible result. The rejection of the claims is not based on the fact that the claims fail to produce a useful, concrete and tangible result. Since the proper standard was never applied, and since the claimed invention produces a useful, concrete, tangible result (e.g., in claim 1 - selecting a product to be sold for a sale price) the rejection should be withdrawn.

### Conclusion

For the foregoing reasons it is submitted that all of the claims are now in condition for allowance and the Examiner's early re-examination and reconsideration are respectfully requested.

Alternatively, if there remains any question regarding the present application or any of the cited references, or if the Examiner has any further suggestions for expediting allowance of the present application, the Examiner is cordially requested to contact Geoffrey M. Gelman at telephone number (203) 461-7331 or via electronic mail at [ggelman@walkerdigital.com](mailto:gelman@walkerdigital.com).

Respectfully submitted,



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